



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

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GOVERNOR

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COMMISSIONER

FRASER PAPERS LIMITED)
d/b/a NEXFOR FRASER PAPERS INC.) DEPARTMENTAL
AROOSTOOK COUNTY) FINDING OF FACT AND ORDER
MADAWASKA, MAINE) PART 70 AIR EMISSION LICENSE
A-263-70-C-R)

After review of the Part 70 Renewal License application, staff investigation reports and other documents in the applicant's file in the Bureau of Air Quality, pursuant to 38 M.R.S.A, Section 344 and Section 590, the Department finds the following facts:

I. Registration

A. Introduction

FACILITY	Nexfor Fraser Papers Inc. (Fraser)
LICENSE NUMBER	A-263-70-C-R
LICENSE TYPE	Renewal Part 70 License
SIC CODES	2621
NATURE OF BUSINESS	Paper making
FACILITY LOCATION	Madawaska
DATE OF LICENSE ISSUANCE	January 20, 2010
LICENSE EXPIRATION DATE	January 20, 2015

B. Emission Equipment

The following emission units are addressed by this Part 70 License:

EMISSION UNIT ID	UNIT CAPACITY	UNIT TYPE
Boiler #6	240 MMBtu/hr	Fuel Burning Equipment
Diesel pump #1	2.2 MMBtu/hr	Fuel Burning Equipment
Diesel pump #2	1.8 MMBtu/hr	Fuel Burning Equipment
Diesel generator	0.6 MMBtu/hr	Fuel Burning Equipment
(15) Propane Fired Dryers ^a	3-8 MMBtu/hr	Fuel Burning Equipment
Starch loading and storage	10 tons/hour ^b	Process Equipment
Clay coating unloading and storage	14 tons/hour ^b	Process Equipment
Cold Cleaning Degreasers	---	Process Equipment
#1, #2, #3, #4 Paper Machines	---	Process Equipment
#5, #6, #7, #8 Paper Machines	---	Process Equipment
C-2 off machine coater (aqueous)	80,000 tons/year ^b	Process Equipment
C-3 off machine coater (aqueous)	80,000 tons/year ^b	Process Equipment

^a Fraser has 15 propane-fired dryers for the paper coating operation ranging in size between 3 and 8 MMBtu/hr.

^b The process rate information is listed only for informational purposes; it is not intended as a license restriction.

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PRESQUE ISLE
1235 CENTRAL DRIVE, SKYWAY PARK
PRESQUE ISLE, MAINE 04679-2094
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Fraser has additional insignificant activities which are not required to be listed in the emission equipment table above. The list of insignificant activities can be found in Section C of Fraser's Part 70 renewal application submitted December 8, 2006. Fraser may install, eliminate, or modify insignificant activities as allowed by 06-096 CMR 140 without revising or modifying this Part 70 license.

C. Application Classification

The application for Fraser does not include the licensing of increased emissions or the installation of new or modified equipment, therefore the license is considered to be a Part 70 License Renewal issued under 06-096 CMR 140 of the Department's regulations for a Part 70 source.

II. EMISSION UNIT DESCRIPTION

A. Process Description

Fraser owns and operates a paper mill in Madawaska, Maine. Most pulp is received from the Fraser facility in Edmundston, New Brunswick, Canada. The pulp is conveyed by pipeline to Fraser's Madawaska's mill. Fraser uses different mixtures of pulps and coatings to produce lightweight coated and uncoated paper on eight paper machines. Fraser receives most of its steam from the facility in Edmundston but also has a backup boiler (Boiler #6) at the U.S. site.

Other industrial processes at the mill include starch and clay handling/storage, a coating preparation area, a finishing, converting, and shipping area, a process wastewater treatment operation and a solid waste landfill.

B. Best Practical Treatment (BPT)

In order to receive a license the applicant must control emissions from each unit to a level considered by the Department to represent Best Practical Treatment (BPT), as defined in Definitions Regulation, 06-096 CMR 100 (last amended December 24, 2005). Separate control requirement categories exist for new and existing equipment as well as for those sources located in designated non-attainment areas.

BPT for existing emissions equipment means that method which controls or reduces emissions to the lowest possible level considering:

- the existing state of technology;

- the effectiveness of available alternatives for reducing emissions from the source being considered; and
- the economic feasibility for the type of establishment involved.

Boiler # 6

Unit Size and Age

Boiler #6 was manufactured by Combustion Engineering with a maximum design heat input of 240 MMBtu/hr firing #6 fuel oil. The boiler was installed in 1949, prior to the New Source Performance Standards (NSPS) Subpart D, Da, Db applicability dates. The boiler is used for back up steam and heating purposes. Emissions exit through a 199 foot Above Ground Level (AGL) stack.

Boiler #6 fires #6 fuel oil that contains 0.7% sulfur by weight or less, and minimal amounts of waste oil generated on site. Due to the construction of a biomass boiler in Edmundston, NB, and the supply of steam from that boiler to Fraser's Madawaska mill, Fraser has been able to significantly reduce its use of Boiler #6.

Fraser's use of low sulfur fuel (0.7% sulfur or less) constitutes BPT for SO₂ emissions. Furthermore, Boiler #6 meets the NO_x RACT (06-096 CMR 138) limit of 0.40 lb/MMBtu. The SIP approved version of 06-096 CMR 138 does not include sources in Aroostook County and therefore the NO_x limit for Boiler #6 is listed as state-only enforceable. In addition, due to the restriction on capacity utilization (30% on yearly basis), emissions of other pollutants are relatively minimal. Proper maintenance and operation constitutes BPT for this boiler. Additional control is not feasible. Comparable boilers of this design, size and age in Maine are typically not equipped with additional control for PM, PM₁₀, CO or VOC.

Given the 30% limitation on annual capacity, which equates to 3,378,000 gallons per year, the Department has determined that operation of a NO_x CEM or opacity COM is not reasonable and this boiler is exempt from such requirements pursuant to DEP Regulations 06-096 CMR 117 and the NO_x RACT determination made by the Department for this boiler in Air Emission License A-263-71-E-A issued April 16, 1996.

Compliance Assurance Monitoring (CAM)

Fraser's Boiler #6 does not use a control device to achieve compliance with federally enforceable limits or standards; therefore, this unit is not subject to 40 CFR Part 64, Compliance Assurance Monitoring (CAM) for PM.

Streamlining requirements for Boiler #6

Opacity

Fraser accepts streamlining for opacity requirements. 06-096 CMR 101, Section 2(D) and Best Practical Treatment (BPT) requirements are applicable. The BPT opacity limit is more stringent. Therefore, only the most stringent BPT limit is included in this license.

Based on best management practices and the type of fuel for which the boiler was designed, it is unlikely that the boiler will exceed the opacity limit. Therefore, periodic monitoring by the source for opacity in the form of visible emission testing is not required. However, neither the EPA nor the State is precluded from performing its own testing and may take enforcement action for any violations discovered.

Sulfur Dioxide

Fraser accepts streamlining for sulfur dioxide requirements. 06-096 CMR 106 and BPT requirements are applicable. The BPT limit for sulfur dioxide is more stringent. Therefore, only the more stringent BPT sulfur dioxide limit is included in this license.

Diesel Engines

Fraser operates two fire pumps and one stationary diesel generator (86 hp) that are greater than 0.5 MMBtu/hr. One fire pump is a 350 horsepower (2.2 MMBtu/hr) Cummins engine and the second backup fire pump is a 290 horsepower (1.8 MMBtu/hr) Cummins engine.

The back-up generator is only operated for maintenance purposes and for situations arising from sudden and reasonably unforeseeable events beyond the control of the source. The back-up generator is not to be used for prime power when reliable offsite power is available.

A summary of the BPT analysis for the two fire pumps and back-up diesel generator is the following:

1. The engines shall fire only diesel fuel with a maximum sulfur content not to exceed 0.05% by weight.

2. The engines shall each be limited to 500 hr/yr of operation based on a 12 month rolling total. Compliance shall be demonstrated by a written log of all engine operating hours.
3. 06-096 CMR 106 regulates fuel sulfur content, however in this case a BPT analysis for SO₂ determined a more stringent limit of 0.05% was appropriate and shall be used.
4. Fuel Burning Equipment Particulate Emission Standard, BPT will require these units to each meet a PM limit of 0.12 lb/MMBtu. The PM₁₀ limits are derived from the PM limits.
5. NO_x, CO, and VOC emission limits are based upon AP-42 data dated 10/96.

The units operate approximately half an hour per week to maintain the operational status of the equipment. With the fuel use limit on the engines as well as using the equivalent of on-road diesel fuel, emissions from these units are minimal and further controls are not feasible.

Fraser's back-up diesel generator and fire pumps were manufactured prior to April 1, 2006; therefore, these units are not subject to New Source Performance Standards 40 CFR Part 60, Subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines. Furthermore, the generators are subject to new source review requirements pursuant to Title I, Part C or Part D and therefore are exempt from 06-096 CMR 148.

Streamlining requirements for diesel engines

Opacity

Fraser accepts streamlining for opacity requirements. 06-096 CMR 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity limit is more stringent. Therefore, only the BPT limit is included under the Order in this license.

Sulfur Dioxide

Fraser accepts streamlining for sulfur dioxide requirements. 06-096 CMR 106 and BPT limits are applicable. The BPT sulfur dioxide limit in this license is more stringent. Therefore, only BPT requirements are included in this license.

Periodic Monitoring

Periodic monitoring shall consist of recordkeeping of fuel use and hours of operation for all diesel engines. Based on the type of fuel used, hours of operation, and operating in a manner consistent with good air pollution control practices, it is unlikely the diesel engines will exceed the opacity limits. Therefore, periodic

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monitoring by the source for opacity in the form of visible emission testing is not required. However, neither the EPA nor the state is precluded from performing its own testing and may take enforcement action for any violations discovered.

Starch and Clay Process Equipment

Units Description and Control Equipment

The following process equipment is controlled to prevent particulate matter emissions.

Source	Date of Installation	Control equipment, % efficiency
Starch loading and storage system	1994	Baghouse, >99.9%
Clay unloading and storage system	1966	Baghouse, >99.0%

Fraser operates a starch unloading system and storage silo, and three clay unloading systems all of which are equipped with baghouses. In such applications, baghouses are generally considered the most effective type of control available for PM emissions and therefore represent BPT. Fraser shall not exceed a limit of 10% opacity, at the outlet of the baghouses, for more than one 6-minute period per hour.

Streamlining for starch and clay unloading

Opacity

Fraser accepts streamlining for opacity requirements. 06-096 CMR 101, Section 2(C) and BPT limits are applicable. The BPT opacity limits are more stringent. Therefore, only the BPT limits are included in this license.

Particulate Matter Emissions

Fraser accepts streamlining for particulate matter requirements. 06-096 CMR 105 which limits particulate matter emissions from general process equipment is applicable; however, meeting the Best Practical Treatment (BPT) opacity limits in this license meets 06-096 CMR 105 requirements.

Periodic Monitoring

Periodic monitoring shall consist of recordkeeping of baghouse inspections and maintenance, and all process and control equipment malfunctions that might increase emissions.

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Based on maintenance and the use of baghouses and operating in a manner consistent with good air pollution control practices, it is unlikely the process equipment will exceed the opacity limits. Therefore, periodic monitoring for opacity in the form of visible emissions is not required. However, the EPA and the State may perform its own testing or require the source to perform testing, and either EPA and/or the State may take enforcement action for any violations discovered.

Paper Machines and Coaters

Fraser Papers, Inc. operates eight paper machines, two on-line coaters and two off-line coaters. Fraser does not undertake any solvent base coating. All coatings are aqueous based which contain minimal levels of VOCs, if any. The VOC content of coatings is below the Reasonable Available Control Technology (RACT) limits of 2.9 lb/gallon. The coaters are subject to 06-096 CMR 123, Paper Coating Regulation. Fraser has certified that all of the coatings used on the coaters have an as applied VOC content less than 2.9 pounds per gallons of coating. The Department has previously determined through the rulemaking of 06-096 CMR 134 that additional controls are not feasible for paper machines. EPA has also reached this conclusion during the course of development of Maximum Achievable Control Technology (MACT) requirements for paper machines.

Fraser is licensed to operate the following paper machines and coaters:

Source	Date of Installation	Control Equipment
Paper Machine (No. 1)	1925	N/A
Paper Machine (No. 2)	1925	N/A
Paper Machine (No. 3)	1927	N/A
On-line Coater (Dryer 3.5 MMBtu/hr)		
Paper Machine (No. 4)	1927	N/A
Paper Machine (No. 5)	1928	N/A
Paper Machine (No. 6)	1930	N/A
Paper Machine (No. 7)	1960	N/A
On-line Coater (Dryer 3 MMBtu/hr)		
Paper Machine (No. 8)	1970	N/A
C-2 Off Line Coater Dryer (propane) 5 MMBtu/hr	1966	N/A
C-3 Off Machine Coater Dryer (propane) 8 MMBtu/hr	1979	N/A

Streamlining

Fraser accepts streamlining for opacity requirements for the coaters. 06-096 CMR 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity limit in this license is more stringent. Therefore, only the more stringent BPT limit is included under the Order in this license.

Periodic Monitoring

VOCs

The coating machines operated at Fraser meet the emission limits set forth in 06-096 CMR 123 as amended on October 2, 2000 by using only coatings with less than 2.9 pounds of VOC per gallon. VOC content and emissions shall be based on EPA Method 24 as required in 06-096 CMR 123 of the Department's regulations. Under 06-096 CMR 123, Fraser must maintain the following records on site for all coatings used at the facility on a monthly basis:

- Time period
- Amount of VOC containing chemicals in coatings
- Amount of VOC/lb of coating (less water)
- Total VOCs emitted from coating on a monthly and a 12-month rolling average basis.
- Certification stating all mill coatings are below 2.9 pounds, excluding water and negligibly reactive VOC compounds.

Propane Dryers

Fraser Papers, Inc. operates several propane-fired dryers. These units range from 3.0 MMBtu/hr to 8 MMBtu/hr in size and are exempt from NOx RACT requirements pursuant to section 1(B) of 06-096 CMR 138. Due to the relatively small size of these units and the minimal emissions created by propane firing, additional control is not feasible for these units.

Solvent Degreasers

Fraser operates degreasing units throughout the facility. The total VOC emissions from the solvent degreasers in the past few years were less than one ton annually. Fraser shall meet all the applicable requirements of 06-096 CMR 130 of the Maine Air Bureau regulations.

Periodic monitoring

Periodic monitoring for the degreaser units shall consist of recordkeeping including records of solvent added and removed.

Storage tanks

Fraser constructed a new #6 oil storage tank in 2001. The new tank is 150,000 gallons in size. There are no applicable air requirements for this new tank. Further, because the potential to emit of this new tank is less than 1 ton/year of VOC, it qualifies as an insignificant activity under MEDEP 06-096 CMR 140. However, Fraser is required to maintain for the life of the tank a set of drawings of the tank indicating the capacity of the tank pursuant to 40 CFR Part 60, Subpart Kb.

Any gasoline storage tank at Fraser will meet the requirements of Condition (22) in the Order section of this license. Fraser has other storage tanks that do not need to be included in this Part 70 license renewal due to either their size or their age and therefore these tanks are not subject to 40 CFR Part 60 Subpart K.

Fugitive Emissions

Fugitive particulate matter emissions at Fraser include material stockpiles, paved and unpaved surfaces.

Periodic Monitoring

Based on using best management practices and wetting roads and storage piles with water when appropriate, it is unlikely the fugitive emission sources will exceed the opacity limits. Therefore, periodic monitoring for opacity in the form of visible emission testing is not required. However, neither the EPA nor the State is precluded from performing its own testing and may take enforcement action for any violations discovered.

Miscellaneous Emission units with Applicable Requirements

Miscellaneous emission units include various small fuel burning sources.

Streamlining

Opacity

Fraser accepts streamlining for opacity requirements. 06-096 CMR 101, Section 2(A)(1) and BPT limits are applicable. The BPT opacity limit is more stringent. Therefore, only the more stringent BPT limit is included in this license.

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Periodic Monitoring

The miscellaneous emission units are subject to generally applicable requirements, and a regular program of monitoring will not significantly enhance the ability of the permit to assure compliance with the general applicable requirement. Therefore, no monitoring is required for these units.

C. Facility Emissions

The following is the sum of all allowable emission limits as described in this air emission license (emission equipment in section I.B. of this Part 70 license) which is used to calculate the license fees.

Total Licensed Annual Emission for the Facility

Tons/year

(used to calculate the annual license fee)

	PM	PM ₁₀	SO ₂	NO _x	CO	VOC
Boiler #6	50.7	50.7	166.7	99.0	8.5	0.5
Diesel Generator	0.1	0.1	0.1	0.7	0.2	0.1
Diesel Pump #1	0.1	0.1	0.1	2.5	0.5	0.2
Diesel Pump #2	0.1	0.1	0.1	2.0	0.4	0.2
Paper Coating * and solvent degreasing	--	--	--	--	--	130

Total TPY	60	60	167	104	9.6	131
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* Conservatively accounts for all volatiles in the "aqueous based" coatings applied by the coaters on the paper machines. These VOCs are difficult to measure and may not all be emitted.

D. NO_x RACT, VOC RACT, and MACT

NO_x RACT

06-096 CMR 138 of the Maine Air Regulations requires that every source which has the potential to emit equal to or greater than 100 tons per year apply NO_x RACT (Reasonable Available Control Technology) to their applicable NO_x emissions. 06-096 CMR 138 NO_x RACT requirements are incorporated into this Part 70 license renewal.

Fraser proposed to meet the NOx RACT requirements of DEP Regulation 06-096 CMR 138 by limiting the operation of Boiler #6 to less than 30% of its annual capacity factor, by tuning the boiler, and by limiting the operation of boiler #6 to less than 20 tons per month of NOx and less than 100 tons per year of NOx on a 12 month rolling total updated monthly. The first 12-month period for these limits was April 1, 1997 to April 1, 1998. At a NOx limit of 0.40 lbs/MMBtu, 100 tons per year of emissions equates to 3,378,000 gallons of #6 fuel oil.

Fraser has conducted stack tests for NOx that demonstrated compliance with the 0.40 lbs/MMBtu limit. The NOx RACT requirements in 06-096 CMR 138 as applied to Boiler #6 are met by Fraser's acceptance of an oil limit that restricted the Boiler to less than 30% of its annual capacity factor. The 0.40 lb/MMBtu limit is imposed pursuant to the DEP's BPT authority and, as such, is considered "state-only enforceable." As set forth in air emission license A-263-71-B-R, additional testing and tune-ups will only be required if Fraser combusts more than 2,800,000 gallons of #6 fuel oil per calendar year. These conditions are set forth in License Amendment #2 (A-263-71-D-M) and #3 (A-263-71-E-A).

VOC RACT

06-096 CMR 134 of the Maine Air Regulations requires facilities that have the potential to emit forty (40) tons or more of VOC per calendar year apply VOC RACT to their applicable VOC emissions. Boilers, paper machines, on and off-line dryers and coaters are exempt from the rule. The potential to emit VOCs from the remaining equipment at the Madawaska mill is less than 40 tpy.

MACT

Fraser is not subject to EPA's NESHAP for the Paper Industry, 40 CFR Part 63, Subpart S, otherwise known as the Pulp and Paper MACT standard because there are no affected sources at the Mill.

Further, as part of its MACT rule for the Pulp and Paper source category, EPA determined that MACT for paper machines is no further control. Thus, EPA's MACT standard for paper machines imposes no applicable requirements on the paper machines at Fraser. Because of EPA's MACT finding, Fraser is not subject to the case-by case MACT provisions in Clean Air Act Section 112 (j) and 40 CFR Part 63, Subpart B for the paper machines.

III. AIR QUALITY ANALYSIS

There have been no modifications to the facility since the last air quality analysis was performed therefore, the existing ambient air quality analysis performed for Fraser in Air Emission License Renewal A-263-71-B-R issued June 9, 1998, which demonstrated compliance with Maine Ambient Air Quality Standards and Class I and Class II Increments, is sufficient for this Part 70 Air Emission License Renewal.

ORDER

Based on the above Findings and subject to conditions listed below, the Department concludes that emissions from this sources:

- will receive Best Practical Treatment;
- will not violate applicable emissions standards
- will not violate applicable ambient air quality standards in conjunction with emissions from other sources.

The Department hereby grants the Part 70 License Renewal A-263-70-C-R pursuant to 06-096 CMR 140 and the preconstruction permitting requirements of 06-096 CMR 115 and subject to the standard and special conditions below.

All federally enforceable and State-only enforceable conditions in existing air licenses previously issued to Fraser pursuant to the Department's preconstruction permitting requirements in 06-096 CMR 108 or 115 have been incorporated into this Part 70 license, except for such conditions that MEDEP has determined are obsolete, extraneous or otherwise environmentally insignificant, as explained in the findings of fact accompanying this permit. As such the conditions in this license supersede all previously issued air license conditions.

Federally enforceable conditions in this Part 70 license must be changed pursuant to the applicable requirements in 06-096 CMR 115 for making such changes and pursuant to the applicable requirements in 06-096 CMR 140.

For each standard and special condition which is state enforceable only, state-only enforceability is designated with the following statement: **Enforceable by State-only.**

Severability. The invalidity or unenforceability of any provision, or part thereof, of this License shall not affect the remainder of the provision or any other provisions. This License shall be construed and enforced in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

STANDARD STATEMENTS

- (1) Approval to construct shall become invalid if the source has not commenced construction within eighteen (18) months after receipt of such approval or if construction is discontinued for a period of eighteen (18) months or more. The Department may extend this time period upon a satisfactory showing that an extension is justified, but may condition such extension upon a review of either the control technology analysis or the ambient air quality standards analysis, or both; [06-096 CMR 140]
- (2) The Part 70 license does not convey any property rights of any sort, or any exclusive privilege; [06-096 CMR 140]
- (3) All terms and conditions are enforceable by EPA and citizens under the CAA unless specifically designated as state enforceable. [06-096 CMR 140]
- (4) The licensee may not use as a defense in an enforcement action that the disruption, cessation, or reduction of licensed operations would have been necessary in order to maintain compliance with the conditions of the air emission license; [06-096 CMR 140]
- (5) Notwithstanding any other provision in the State Implementation Plan approved by the EPA or Section 114(a) of the CAA, any credible evidence may be used for the purpose of establishing whether a person has violated or is in violation of any statute, regulation, or Part 70 license requirement. [06-096 CMR 140]
- (6) Compliance with the conditions of this Part 70 license shall be deemed compliance with any Applicable requirement as of the date of license issuance and is deemed a permit shield, provided that:
 - A. Such Applicable and state requirements are included and are specifically identified in the Part 70 license, except where the Part 70 license term or condition is specifically identified as not having a permit shield; or
 - B. The Department, in acting on the Part 70 license application or revision, determines in writing that other requirements specifically identified are not applicable to the source, and the Part 70 license includes the determination or a concise summary, thereof.

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Nothing in this section or any Part 70 license shall alter or effect the provisions of Section 303 of the CAA (emergency orders), including the authority of EPA under Section 303; the liability of an owner or operator of a source for any violation of Applicable requirements prior to or at the time of permit issuance; or the ability of EPA to obtain information from a source pursuant to Section 114 of the CAA.

The following requirements have been specifically identified as not applicable based upon information submitted by the licensee in an application dated December 2006.

SOURCE	CITATION	DESCRIPTION	BASIS FOR DETERMINATION
Facility	40 CFR Part 60 Subpart BB	Standards of Performance for "Kraft pulp mills"	Fraser's Madawaska operations do not include a Kraft pulp mill.
Facility	40 CFR Part 63, Subpart E	Standards of Performance for the labeling of products using ozone-depleting substances	The Madawaska mill does not manufacture their paper with substances subject to this regulation
Facility	40 CFR Part 63, Subpart T	NESHAP for halogenated solvent cleaning	The Madawaska's mill degreasers do not use any solvents that contain chemicals subject to this regulation in concentration greater than 5% by weight.
Facility	40 CFR Part 63, Subpart KK	NESHAP for Printing & Publishing	Proof presses, as the one Fraser operates, are exempt.
Facility	06-096 CMR 111	Petroleum Liquid Storage	Fraser does not have tanks that are subject to this regulation
Facility	06-096 CMR 124	TRS control from Kraft pulp mills	Fraser's Madawaska facility does not run a "Kraft pulp mill"
Facility	06-096 CMR 129	Surface Coating Facilities	The Madawaska mill does not own, operate, or participate in any activities that would be subject to this regulation.
Facility	06-096 CMR 132	Graphic Arts-Rotogravure and Flexography	Fraser's "proof press" is operated in the lab and used for quality control purposes. The proof press does not meet the definition of a printing press (continuous substrate or sheet).
Facility	06-096 CMR 134	VOC RACT	Boilers, paper machines, on and off-line dryers and coaters are exempt from this rule. Potential to emit VOCs from the remaining equipment is less than 40 tpy.

[06-096 CMR 140]

(7) The Part 70 license shall be reopened for cause by the Department or EPA, prior to the expiration of the Part 70 license, if:

- A. Additional Applicable requirements under the CAA become applicable to a Part 70 major source with a remaining Part 70 license term of 3 or more years. However, no opening is required if the effective date of the requirement is later than the date on which the Part 70 license is due to expire, unless the original Part 70 license or any of its terms and conditions has been extended pursuant to 06-096 CMR 140;
- B. Additional requirements (including excess emissions requirements) become applicable to a Title IV source under the acid rain program. Upon approval by EPA, excess emissions offset plans shall be deemed to be incorporated into the Part 70 license;
- C. The Department or EPA determines that the Part 70 license contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the Part 70 license; or
- D. The Department or EPA determines that the Part 70 license must be revised or revoked to assure compliance with the Applicable requirements.

The licensee shall furnish to the Department within a reasonable time any information that the Department may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the Part 70 license or to determine compliance with the Part 70 license.

[06-096 CMR 140]

- (8) No license revision or amendment shall be required, under any approved economic incentives, marketable licenses, emissions trading and other similar programs or processes for changes that are provided for in the Part 70 license. [06-096 CMR 140]

STANDARD CONDITIONS

- (1) Employees and authorized representatives of the Department shall be allowed access to the licensee's premises during business hours, or any time during which any emissions units are in operation, and at such other times as the Department deems necessary for the purpose of performing tests, collecting samples,

conducting inspections, or examining and copying records relating to emissions and this license (38 M.R.S.A. §347-C);

- (2) The licensee shall acquire a new or amended air emission license prior to commencing construction of a modification, unless specifically provided for in Chapter 140; [06-096 CMR 140]
- (3) The licensee shall establish and maintain a continuing program of best management practices for suppression of fugitive particulate matter during any period of construction, reconstruction, or operation which may result in fugitive dust, and shall submit a description of the program to the Department upon request; [06-096 CMR 140]
Enforceable by State-only
- (4) The licensee shall pay the annual air emission license fee to the Department, calculated pursuant to 38 M.R.S.A. §353.
- (5) The licensee shall maintain and operate all emission units and air pollution control systems required by the air emission license in a manner consistent with good air pollution control practice for minimizing emissions; [06-096 CMR 140]
Enforceable by State-only
- (6) The licensee shall retain records of all required monitoring data and support information for a period of at least six (6) years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the Part 70 license. The records shall be submitted to the Department upon written request or in accordance with other provisions of this license; [06-096 CMR 140]
- (7) The licensee shall comply with all terms and conditions of the air emission license. The submission of notice of intent to reopen for cause by the Department, the filing of an appeal by the licensee, the notification of planned changes or anticipated noncompliance by the licensee, or the filing of an application by the licensee for the renewal of a Part 70 license or amendment shall not stay any condition of the Part 70 license. [06-096 CMR 140]

(8) In accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department, the licensee shall:

A. perform stack testing under circumstances representative of the facility's normal process and operating conditions:

1. within sixty (60) calendar days of receipt of a notification to test from the Department or EPA, if visible emissions, equipment operating parameters, staff inspection, air monitoring or other cause indicate to the Department that equipment may be operating out of compliance with emission standards or license conditions;
2. to demonstrate compliance with the applicable emission standards; or
3. pursuant to any other requirement of this license to perform stack testing.

B. install or make provisions to install test ports that meet the criteria of 40 CFR Part 60, Appendix A, and test platforms, if necessary, and other accommodations necessary to allow emission testing; and

C. submit a written report to the Department within thirty (30) days from date of test completion.

[06-096 CMR 140] **Enforceable by State-only**

(9) If the results of a stack test performed under circumstances representative of the facility's normal process and operating conditions indicates emissions in excess of the applicable standards, then:

A. within thirty (30) days following receipt of such test results, the licensee shall re-test the non-complying emission source under circumstances representative of the facility's normal process and operating conditions and in accordance with the Department's air emission compliance test protocol and 40 CFR Part 60 or other method approved or required by the Department; and

B. the days of violation shall be presumed to include the date of stack test and each and every day of operation thereafter until compliance is demonstrated under normal and representative process and operating conditions, except to the extent that the facility can prove to the satisfaction of the Department that

there were intervening days during which no violation occurred or that the violation was not continuing in nature; and

- C. the licensee may, upon the approval of the Department following the successful demonstration of compliance at alternative load conditions, operate under such alternative load conditions on an interim basis prior to a demonstration of compliance under normal and representative process and operating conditions.

[06-096 CMR 140] **Enforceable by State-only**

- (10) The licensee shall maintain records of all deviations from license requirements. Such deviations shall include, but are not limited to malfunctions, failures, downtime, and any other similar change in operation of air pollution control systems or the emission unit itself that is not consistent with the terms and conditions of the air emission license.

- A. The licensee shall notify the Commissioner within 48 hours of a violation of any emission standard and/or a malfunction or breakdown in any component part that causes a violation of any emission standard, and shall report the probable cause, corrective action, and any excess emissions in the units of the applicable emission limitation;
- B. The licensee shall submit a report to the Department on a quarterly basis if a malfunction or breakdown in any component part causes a violation of any emission standard, together with any exemption requests.

Pursuant to 38 M.R.S.A. § 349(9), the Commissioner may exempt from civil penalty an air emission in excess of license limitations if the emission occurs during start-up or shutdown or results exclusively from an unavoidable malfunction entirely beyond the control of the licensee and the licensee has taken all reasonable steps to minimize or prevent any emission and takes corrective action as soon as possible. There may be no exemption if the malfunction is caused, entirely or in part, by poor maintenance, careless operation, poor design or any other reasonably preventable condition or preventable equipment breakdown. The burden of proof is on the licensee seeking the exemption under this subsection.

- C. All other deviations shall be reported to the Department in the facility's semiannual report.

[06-096 CMR 140]

- (11) Upon the written request of the Department, the licensee shall establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment, sample such emissions (in accordance with such methods, at such locations, at such intervals, and in such manner as the Department shall prescribe), and provide other information as the Department may reasonably require to determine the licensee's compliance status. [06-096 CMR 140]
- (12) The licensee shall submit semiannual reports of any required periodic monitoring. All instances of deviations from Part 70 license requirements must be clearly identified in such reports. All required reports must be certified by a responsible official. [06-096 CMR 140]
- (13) The licensee shall submit a compliance certification to the Department and EPA at least annually, or more frequently if specified in the applicable requirement or by the Department. The compliance certification shall include the following:
 - (a) The identification of each term or condition of the Part 70 license that is the basis of the certification;
 - (b) The compliance status;
 - (c) Whether compliance was continuous or intermittent;
 - (d) The method(s) used for determining the compliance status of the source, currently and over the reporting period; and
 - (e) Such other facts as the Department may require to determine the compliance status of the source;
 [06-096 CMR 140]

SPECIFIC CONDITIONS

- (14) **Boiler #6**
 - A. Fraser is licensed to operate Boiler #6 (240 MMBtu/hr) which is licensed to fire #6 fuel oil as the primary fuel and #2 fuel oil for startup. [MEDEP 06-096 CMR 140, BPT] **Enforceable by State-only**
 - B. The sulfur content of the fuel oil fired shall not exceed 0.7% by weight demonstrated by purchase records from the supplier. [MEDEP 06-096 CMR 106]
 - C. Emissions from the boiler shall not exceed the following limits:

Pollutant	lb/MMBtu	Origin and Authority	Enforceability
PM	0.20	MEDEP, 06-096 CMR 103, Section 2(B)(1)(a)	-
PM ₁₀	0.20	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
NO _x	0.40	A-263-71-E-A (4/16/1996), BPT	Enforceable by State-only

Pollutant	lb/hr	Origin and Authority	Enforceability
PM	48.0	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
PM ₁₀	48.0	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
SO ₂	175.8	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
NO _x	96.0	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
CO	8.0	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only
VOC	2.0	A-263-71-B-R (6/9/1998), BPT	Enforceable by State-only

- D. Fraser shall operate the boiler such that the visible emission from the stack does not exceed 30% opacity on a six (6) minute block average basis, for more than two (2) six (6) minute block averages in a 3-hour period.

For boilers whose rated input capacity is greater than 200 MMBtu/hr, opacity exemptions during the first four hours after cold startup or planned shutdown may be sought, provided that records are available to demonstrate that the facility had operated to minimize emissions, according to Section (E) of 06-096 CMR 101 of the MEDEP Air Bureau Regulations. Any person claiming an exemption under this paragraph shall have the burden of proving that any excess emissions were not caused entirely, or in part, be poor maintenance, careless operation, poor design or any other reasonably preventable condition.

[06-096 CMR 101, A-263-71-B-R (6/9/1998), & A-263-70-A-I (6/22/2002), BPT]

- E. Fraser shall maintain records on a monthly basis of #6 fuel use indicating the quantity of fuel consumed (gallons, the percent (%) sulfur content of the fuel by weight, and the heat content of the fuel), demonstrated by purchase records from the supplier. [A-263-70-A-I (6/22/2002), BPT]
- F. Fraser shall limit the annual average capacity factor of its fuel use in Boiler #6 to less than 30%. Fraser shall not exceed an annual #6 fuel cap of 3,378,000 gallons per year (12 month rolling total) demonstrated by fuel gauges on the fuel tank. [A-263-71-E-A (4/16/1996), BPT]

G. Fraser will perform a tune up on Boiler #6 and NOx emission stack testing in accordance with 40 CFR Part 60 or other methods approved or required by the Department, to demonstrate compliance with 0.40 lb/MMBtu NOx emission limit if the boiler is operated for more than 20% of its annual capacity factor or combusts more than 2,800,000 gallons of #6 fuel oil per year, based on a 12 month rolling total. Such testing shall be conducted during the period between March 1 - May 31, following a 12-month period in which oil use exceeds 2,800,000 gallons.

[A-263-71-E-A (4/16/96)] **Enforceable by State-only**

(15) **Back-up Diesel Generator and Fire Pumps**

- A. Fraser shall limit each diesel engine to 500 hr/yr of operation (based on a 12 month rolling total). An hour meter shall be maintained and operated on each unit. [06-096 CMR 115, BPT]
- B. The diesel engines shall only be operated for maintenance purposes and for situations arising from sudden and reasonably unforeseeable events beyond the control of the source. The units shall not to be used for prime power when reliable offsite power is available. A log shall be maintained documenting the date, time, and reason for operation. [06-096 CMR 115, BPT]
- C. The diesel engines shall fire #2 fuel oil with a sulfur limit not to exceed 0.05% by weight. Compliance shall be based on fuel records from the supplier showing the quantity of fuel delivered and the percent sulfur of the fuel. [06-096 CMR 115, BPT]
- D. Emissions shall not exceed the following:

Emission Unit	Pollutant	lb/MMBtu	Origin and Authority
Diesel Generator	PM	0.12	06-096 CMR 115, BPT
Diesel Pump #1	PM	0.12	06-096 CMR 115, BPT
Diesel Pump #2	PM	0.12	06-096 CMR 115, BPT

E. Emissions shall not exceed the following [06-096 CMR 115, BPT]:

Emission Unit	PM (lb/hr)	PM₁₀ (lb/hr)	SO₂ (lb/hr)	NO_x (lb/hr)	CO (lb/hr)	VOC (lb/hr)
Diesel Generator	0.1	0.1	0.1	2.6	0.6	0.2
Diesel Pump #1	0.3	0.3	0.1	9.7	2.1	0.8
Diesel Pump #2	0.2	0.2	0.1	7.9	1.7	0.6

- (16) Visible emissions from each diesel unit shall not exceed an opacity of 30% on a 6-minute block average, except for no more than 2 six-minute block averages in a 3-hour period. [A-263-71-B-R (6/9/1998), BPT]
- (17) Fraser shall operate the starch unloading system and storage silo, and two clay unloading systems equipped with baghouses to control PM emissions. Visible emissions from any General Process Source or Fugitive Emission source shall not exceed an opacity of 10 percent on a six (6) minute block average basis, for more than one (1) six (6) minute block average in a 1-hour period. In order to document maintenance of the baghouses, Fraser Paper shall keep a maintenance log recording the date of all bag failures, as well as all routine maintenance.
[A-263-70-A-I (6/22/2002), BPT]
- (18) Fraser Papers, Inc. shall operate all solvent degreasers according to the requirements/recordkeeping imposed per 06-096 CMR 130 of the Maine Air Bureau Regulations. Fraser shall label the parts washer with operational standards, equip the washer with cover if vapor pressure >15 mmHG at 100°F, close cover when not in use, drain parts for 15 seconds or longer, shall not degrease porous material, keep drafts < 40 m/minute, repair leaks, and keep records of solvent added and removed. [A-263-71-B-R (6/9/1998), BPT]
- (19) The two on-line and the two off-line paper coating machines operated at Fraser shall run with only aqueous based coatings. The VOC content of the coatings will remain below 2.9 lb/gallon. Fraser shall meet the requirements of 06-096 CMR 123 of the Maine DEP regulations, including all emission limits and recordkeeping. [06-096 CMR 123 & A-263-71-B-R (6/9/1998), BPT]
- (20) Per 06-096 CMR 123, Fraser shall maintain the following records on site for all coatings used at the facility on a monthly basis:
- Time period

- Amount of VOC containing chemicals in coatings
- Amount of VOC/lb of coating (less water)
- Total VOCs emitted from coating on a monthly and a 12-month rolling total basis.
- Certification stating all mill coatings are below 2.9 pounds, excluding water and negligibly reactive VOC compounds.

[06-096 CMR 123 & A-263-70-A-I (6/28/2002), BPT]

(21) Parts Washer

Parts washers at Fraser are subject to Solvent Cleaners, 06-096 CMR 130 (last amended June 28, 2004).

- A. Fraser shall keep records of the amount of solvent added to each parts washer. [06-096 CMR 115, BPT]
- B. The following are exempt from the requirements of 06-096 CMR 130 [06-096 CMR 130]:
 1. Solvent cleaners using less than two liters (68 oz) of cleaning solvent with a vapor pressure of 1.00 mmHg, or less, at 20° C (68° F);
 2. Wipe cleaning; and,
 3. Cold cleaning machines using solvents containing less than or equal to 5% VOC by weight.
- C. The following standards apply to cold cleaning machines that are applicable sources under 06-096 CMR 130.
 1. Fraser shall attach a permanent conspicuous label to each unit summarizing the following operational standards [06-096 CMR 130]:
 - (i) Waste solvent shall be collected and stored in closed containers.
 - (ii) Cleaned parts shall be drained of solvent directly back to the cold cleaning machine by tipping or rotating the part for at least 15 seconds or until dripping ceases, whichever is longer.
 - (iii) Flushing of parts shall be performed with a solid solvent spray that is a solid fluid stream (not a fine, atomized or shower type spray) at a pressure that does not exceed 10 psig. Flushing shall be performed only within the freeboard area of the cold cleaning machine.
 - (iv) The cold cleaning machine shall not be exposed to drafts greater than 40 meters per minute when the cover is open.
 - (v) Sponges, fabric, wood, leather, paper products and other absorbent materials shall not be cleaned in the degreaser.
 - (vi) When a pump-agitated solvent bath is used, the agitator shall be operated to produce no observable splashing of the solvent against the tank walls or the parts being cleaned. Air agitated solvent baths

may not be used.

- (vii) Spills during solvent transfer shall be cleaned immediately. Sorbent material shall be immediately stored in covered containers.
- (viii) Work area fans shall not blow across the opening of the degreaser unit.
- (ix) The solvent level shall not exceed the fill line.
- 2. The remote reservoir cold cleaning machine shall be equipped with a perforated drain with a diameter of not more than six inches. [06-096 CMR 130]

(22) Gasoline Storage Tank

- A. The fill pipe shall extend within 6 inches of the bottom of the gasoline storage tank. [06-096 CMR 118]
- B. The licensee shall maintain records of the monthly and annual throughput of gasoline. [06-096 CMR 118]

(23) Fugitive Emissions

Visible emissions from a fugitive emission source (including stockpiles and roadways) shall not exceed an opacity of 20 percent, except for no more than five (5) minutes in any 1-hour period. Compliance shall be determined by an aggregate of the individual fifteen (15)-second opacity observations which exceed 20 percent in any one (1) hour. [06-096 CMR 101]

(24) General Process Sources

Visible emissions from any general process source shall not exceed an opacity of 20% on a six (6) minute block average basis, except for no more than one (1) six (6) minute block average in a 1-hour period. [06-096 CMR 101]

(25) Semiannual Reporting [06-096 CMR 140]

- A. The licensee shall submit semiannual reports every six months to the Bureau of Air Quality. The semiannual reports are due on **January 31st** and **July 31st** of each year. The facility's designated responsible official must sign this report.
- B. The semiannual report shall be considered on-time if the postmark of the submittal is before the due date or if the report is received by the DEP within seven calendar days of the due date.

- C. Each semiannual report shall include a summary of the periodic and CAM monitoring required by this license.
- D. Each semiannual report shall include the annual capacity factor of Unit for each fuel.
- E. All instances of deviations from license requirements and the corrective action taken must be clearly identified and provided to the Department in summary form for each six-month interval.

(26) Annual Compliance Certification

Fraser shall submit an annual compliance certification to the Department in accordance with Standard Condition (13) of this license. The annual compliance certification is due January 31 of each year. The facility's designated responsible official must sign this report.

The annual compliance certification shall be considered on-time if the postmark of the submittal is before the due date or if the report is received by the DEP within seven calendar days of the due date. Certification of compliance is to be based on the stack testing or monitoring data required by this license. Where the license does not require such data, or the license requires such data upon request of the Department and the Department has not requested the testing or monitoring, compliance may be certified based upon other reasonably available information such as the design of the equipment or applicable emission factors.

[06-096 CMR 140]

(27) Annual Emission Statement

In accordance with Emission Statements, 06-096 CMR 137 (last amended November 8, 2008), the licensee shall annually report to the Department the information necessary to accurately update the State's emission inventory by means of:

- A. A computer program and accompanying instructions supplied by the Department; or
- B. A written emission statement containing the information required in 06-096 CMR 137.

The emission statement must be submitted by the date as specified in 06-096 CMR 137.

[06-096 CMR 137]

(28) **General Applicable State Regulations**

The licensee is subject to the State regulations listed below.

Origin and Authority	Requirement Summary	Enforceability
06-096 CMR 102	Open Burning	-
06-096 CMR 109	Emergency Episode Regulation	-
06-096 CMR 110	Ambient Air Quality Standard	-
06-096 CMR 116	Prohibited Dispersion Techniques	-
38 M.R.S.A. §585-B, §§5	Mercury Emission Limit	Enforceable by State-only

(29) **Units Containing Ozone Depleting Substances**

When repairing or disposing of units containing ozone depleting substances, the licensee shall comply with the standards for recycling and emission reduction pursuant to 40 CFR Part 82, Subpart F, except as provided for motor vehicle air conditioning units in Subpart B. An example of such units include refrigerators and any size air conditioner that contain CFCs. [40 CFR, Part 82, Subpart F]

(30) **Asbestos Abatement**

When undertaking Asbestos abatement activities, Fraser shall comply with the Standard for Asbestos Demolition and Renovation 40 CFR Part 61, Subpart M.

(31) **Expiration of a Part 70 license**

- A. Fraser shall submit a complete Part 70 renewal application at least 6 months prior, but no more than 18-months prior, to the expiration of this air license.
- B. Pursuant to Title 5 MRSA §10002, and 06-096 CMR 140, the Part 70 license shall not expire and all terms and conditions shall remain in effect until the Department takes final action on the renewal application of the Part 70 license. An existing source submitting a complete renewal application under Chapter 140 prior to the expiration of the Part 70 license will not be in violation of operating without a Part 70 license. **Enforceable by State-only**

(32) **New Source Review**

Fraser is subject to all previous New Source Review (NSR) requirements summarized in this Part 70 air emissions license and the NSR requirements remain in effect even if this 06-096 CMR 140 Air Emissions License, A-263-70-C-R, expires.

DONE AND DATED IN AUGUSTA, MAINE THIS 20th DAY OF January, 2010.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: James P. Brookshire
DAVID P. LITTELL, COMMISSIONER

The term of this license shall be five (5) years from the signature date above.

PLEASE NOTE ATTACHED SHEET FOR GUIDANCE ON APPEAL PROCEDURES

Date of initial receipt of application: December 8, 2006

Date of application acceptance: December 22, 2006

Date filed with the Board of Environmental Protection: _____

This Order prepared by Edwin Cousins, Bureau of Air Quality.

